

Waivers	First Name	Last Name	Claim Number
			W-19-0010
Amount	OGC Received Date	Assigned To	Assigned Date
\$1916.72	06/24/2019	Redden, Kenneth	06/26/2019
EPA Decision	EPA Decision Date	Amount Approved	Status
DENIED	07/22/2019	CLOSED	
Appeal	Comments		
No			
Type			
Federal Employee Health Benefits (FEHB)			

Attachments

From: Redden, Kenneth

Sent: Monday, July 22, 2019 3:00 PM

To:

Cc: Elliott, Kechi P. <Elliott.Kechi@epa.gov>; Sisson, Ann <Sisson.Ann@epa.gov>; Brown, Jessica <brown.jessica@epa.gov>; robin_koch@ibc.doi.gov; matthew_neyer@ibc.doi.gov

Subject: Waiver of Indebtedness Application (W-19-0010) Debt ID #90711686152

This email is in response to your "Waiver of Indebtedness Application" (W-19-0010) dated April 23, 2019, wherein you have requested approval of a waiver of debt in the amount of \$1,916.72. For the reasons set forth below, your request for a waiver is denied.

Background

In accordance with a "Notice of Change in Health Benefits Enrollment" Standard Form 2810 and "Notification of Personnel Action" Standard Form 50, your health insurance benefits should have continued upon your transfer to EPA from another Federal agency effective February 18, 2018. However, payroll deductions for your health insurance coverage were not made over 26 pay periods from March 13, 2018 to February 26, 2019. Unfortunately, it appears that a Human Resource representative at EPA failed to key in the continuance of your health insurance coverage from your previous Federal agency.

In response to a Bill for Collection with a debt amount of \$1,916.72 (Debt ID #90711686152), you timely submitted a request for a waiver dated April 23, 2019. In support of your application, you state that you had no insurance from March 2018 to February 2019. However, you also state that your health insurance provider, BlueCross, informed you in January 2019 that you were about to be disenrolled.

Analysis

Under 5 U.S.C. § 5584, I have the authority to waive claims for overpayments of compensation and allowances if collection would be against equity and good conscience and not in the best interests of the United States. “Such authority may not be exercised if there is an indication of fraud, misrepresentation, fault, or lack of good faith on the part of the employee or any other person having an interest in obtaining a waiver of the claim.” B-231018 (August 2, 1989). In the present case, I find that the overpayments were caused by Agency administrative error and not due to fraud or misrepresentation on your part.

Generally, an employee who knows or reasonably should have known that he or she was overpaid should be prepared to repay the debt and it is not against equity and good conscience to collect. B-227322 (September 19, 1988). The employee is generally deemed to be at fault in those situations. B-271308 (April 18, 1996).

The next question is whether you were aware or should have suspected a pay error based upon information available to you. Generally, “if an employee has records which, if reviewed, would indicate an overpayment, and the employee fails to review such documents for accuracy or otherwise fails to take corrective action, then the employee is not without fault and waiver will be denied.” B-231018 (August 2, 1989). I have reviewed all 26 of your Earnings and Leave Statements from March 13, 2018 to February 26, 2019. A deduction for your health insurance premium is clearly missing in each of these statements. This is in stark contrast to your statements for March 12, 2019; March 26, 2019; and April 9, 2019, where a deduction of \$73.72 is clearly present in each statement for your health insurance premium.

I therefore conclude that you should have realized the error in question as it was apparent in your statements. Employees who are aware of receiving erroneous overpayments not only have a responsibility to notify responsible agency officials, but also should “be prepared to make repayment upon correction of the error; the employee cannot reasonably expect to retain the overpayments.” B- 256828 (August 2, 1994) citing B 234731 (June 19, 1989); B 227322 (Sept. 19, 1988).

Based on the discussion above, I find that it is not against equity and good conscience to collect the \$1,916.72 that your Bill for Collection states that you owe. Furthermore, as you admit in your waiver request, BlueCross still had you enrolled under its health insurance plan as of January 2019. Accordingly, your waiver request is denied.

I trust this email is responsive to your claim, and I am sorry a more

favorable reply cannot be made. Under 40 C.F.R. part 13.11(e)(iii), I have the delegated authority to waive all or part of the interest, penalty, and administrative charges which have accrued on this debt. In this regard, I am directing that EPA waive any portion that may have accrued that is attributable to interest, penalty, and administrative charges.

By copy of this email to Kechi Elliott in EPA's Las Vegas Finance Center, I am advising that collection of this debt should proceed consistent with this email. You have the right to request reconsideration of the denial of the claim. In a request for reconsideration, you must present new factual information that might cause the Claims Officer to overturn the prior decision.

Please be advised that a waiver is one of several options for debtors. EPA will notify you of the opportunity to request a compromise, suspension, or termination of your debt based on factors that include inability to pay.